



RICKY J. COX
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July 9, 2019

VIA E-MAIL
VIA U.S. MAIL

Katherine Collier, Esq.
Executive Secretary
Mississippi Public Service Commission
501 North West Street, Suite 201A
Jackson, MS 39201

Re: Petition of Mississippi Power Company for a Certificate of Public Convenience and Necessity for Environmental Compliance Activities Authorizing the Closure of the Ash Pond, Construction of Low Volume Wastewater Treatment Facilities, and Conversion of Bottom Ash Collection Facilities for the Plant Victor J. Daniel Electric Generating Facility in Jackson County, Mississippi

Dear Katherine:

On behalf of Mississippi Power Company in the above-referenced docket, I have enclosed the original and twelve (12) copies of the Company's Petition. Also enclosed is a copy of this letter and the first page of the filing, which I will appreciate your file-stamping and returning to me. Please let me know if you have any questions regarding this matter.

Thank you for your assistance in this matter.

Very truly yours,

A handwritten signature in black ink, appearing to read "R. J. Cox", written over the typed name.

Ricky J. Cox

BHS:hr

Attachments

cc: Interested Parties
Mr. Virden Jones
Chad Reynolds, Esq.
Shawn Shurden, Esq.
Jeff Stone, Esq.

BEFORE THE MISSISSIPPI PUBLIC SERVICE COMMISSION

MISSISSIPPI POWER COMPANY
EC-120-0097-00

DOCKET NO. '19-UA-116

IN RE: PETITION OF MISSISSIPPI POWER COMPANY FOR A
CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY
FOR ENVIRONMENTAL COMPLIANCE ACTIVITIES
AUTHORIZING THE CLOSURE OF THE ASH POND,
CONSTRUCTION OF LOW VOLUME WASTEWATER
TREATMENT FACILITIES, AND CONVERSION OF BOTTOM
ASH COLLECTION FACILITIES FOR THE PLANT VICTOR J.
DANIEL ELECTRIC GENERATING FACILITY IN JACKSON
COUNTY, MISSISSIPPI

PETITION FOR FACILITY CERTIFICATE

COMES NOW, Petitioner Mississippi Power Company ("MPC" or the "Company"), pursuant to the Mississippi Public Utility Act and the Public Utilities Rules of Practice and Procedure ("Rules"), and respectfully petitions the Mississippi Public Service Commission ("Commission") for a certificate that the present and future public convenience and necessity requires or will require the closure of the ash pond, construction of a low-volume wastewater facility, and conversion of bottom ash collection facilities (collectively, the "CCR Projects") to ensure compliance with federal environmental requirements at the Plant Victor J. Daniel Electric Generating Facility in Jackson County, Mississippi ("Plant Daniel"), all as described herein, for use in connection with MPC's service to its customers in its certificated areas in the twenty-three (23) counties of southeastern Mississippi. In support of this petition, the Company would show as follows:

1. MPC is a public utility as defined in Section 77-3-3(d)(i) of the *Mississippi Code of 1972, as amended*, and is engaged in the business of providing electric service to and for the public for compensation in twenty-three (23) counties of southeastern Mississippi, having its

principal place of business at Gulfport, Mississippi. Petitioner's mailing address is Post Office Box 4079, Gulfport, Mississippi, 39502-4079.

2. MPC holds a Certificate of Public Convenience and Necessity issued in Docket No. U-99, as supplemented from time to time, authorizing its operations in certain areas in the twenty-three (23) counties of southeastern Mississippi and is rendering service in accordance with its service rules and regulations and in accordance with schedules of rates and charges, all of which are a part of its tariff that has been previously approved by order of this Commission.

3. MPC is a Mississippi corporation. A copy of its corporate charter, articles of incorporation, the names and addresses of its board of directors and officers, the name of all persons owning fifteen percent (15%) or more of its stock, and a copy of its current balance sheet and income statement are on file with the Commission and are hereby incorporated by reference.

4. This certificate filing is driven by federal environmental regulations governing Coal Combustion Residuals ("CCR"), similar to the regulations that required the closure of the ash pond facilities at the Company's Plant Jack Watson Electric Generating Plant authorized by this Commission in Docket No. 2016-UA-020. The EPA's CCR rules regulate CCR and non-CCR waste streams and require that MPC cease placing CCR and non-CCR waste streams into the Plant Daniel ash pond by October 31, 2020, followed by closure of the ash pond, which must occur within five (5) years following the commencement of closure activities.

5. To comply with the EPA's regulations, MPC must complete each of the following components of the CCR Projects and must do so sequentially: 1) MPC must complete a conversion of the bottom ash collection system that will not require use of the ash pond for the discharge of any CCR waste stream ("Bottom Ash Conversion"); 2) following the Bottom Ash Conversion, the ash pond itself must be closed by first ceasing receipt of any CCR or non-CCR

and then by removing all CCR in accordance with 40 C.F.R. § 257.102(c) (“Ash Pond Closure”); and 3) following the Ash Pond Closure, a new low-volume wastewater treatment system must be constructed on the site of the former ash pond (“LVW Treatment System”).

6. To comply with EPA’s timeline, MPC must begin construction of the CCR Projects no later than November 1, 2019. The total cost for all of the work described herein is approximately \$125 million. As an undivided owner of 50% of Plant Daniel Units 1 and 2, MPC’s portion of the project costs would be approximately \$62.5 million.

SUPPORTING DOCUMENTATION AND INFORMATION

7. Schedule 3, Appendix “A” of the Commission’s Rules establishes certain requirements applicable to facility certification petitions. The following information is being provided to meet the requirements of that Schedule.

8. A detailed description of the CCR Projects is provided in the attached pre-filed testimony of Mark Loughman, Director of Environmental Affairs, Mississippi Power Company, which MPC will rely upon at the hearing of this matter.¹

9. An outline map of the utility’s existing certificated area showing the locations of the proposed new facilities at Plant Daniel in Jackson County, MS is provided as Exhibit____(MPL-1)²

10. The schedules of construction for the components of the CCR Projects and the estimated costs of the CCR Projects³ are provided in Exhibit____(MPL-2) and Exhibit____(MPL-3) to Mr. Loughman’s testimony.⁴

¹ Mississippi Public Utilities Rules of Practice and Procedure (Rules), Schedule 3, Appendix “A”, Item 4.

² Rules, Schedule 3, Appendix “A,” Item 3.

³ Rules, Schedule 3, Appendix “A”, Item 6.

⁴ Rules, Schedule 3, Appendix “A,” Item 10.

11. Approvals from health or pollution control authorities as are required in connection with the construction, acquisition, extension and operation of the facilities will be secured.⁵ An overview of necessary approvals is provided in Mr. Loughman's testimony.

12. Any request for cost recovery for the CCR Projects and the estimated rate impacts associated therewith will be included in the Company's 2020 ECO filing rate projections, scheduled to be filed in early 2020 in Docket No. 1992-UN-0059.⁶

13. A list of "interested persons" as defined in Rule 2.115 is attached as Exhibit "A."⁷

14. MPC will acquire the materials and provide the labor relevant to these CCR Projects in full conformity with the Mississippi Public Utility Act and the Rules of this Commission.

CONCLUSION

15. The present and future public convenience and necessity requires or will require the closure of the Ash Pond Closure, the Bottom Ash Conversion and the construction of a LVW Treatment System as described above and in the testimony accompanying this petition, all in connection with MPC's service to its customers in southeast Mississippi.

16. The name, address and telephone number of the MPC employee from whom further information regarding these CCR Projects may be obtained is:

Mr. Shawn S. Shurden
Manager, Regulatory Affairs and Legal Support
Mississippi Power Company
2992 West Beach Boulevard
Post Office Box 4079
Gulfport, MS 39502-4079
Phone: (228) 865-5046
ssshurde@southernco.com

⁵ Rules, Schedule 3, Appendix "A," Item 5.

⁶ Rules, Schedule 3, Appendix "A," Item 8.

⁷ Rules, Schedule 3, Appendix "A," Item 9.

with copy to:

Ricky J. Cox, Esq.
Balch & Bingham LLP
1310 25th Avenue
Post Office Box 130
Gulfport, MS 39501
Phone: (228) 214-0411
rcox@balch.com

17. MPC has provided herewith all the information relevant to their petition and, therefore, requests a waiver of each and every other filing requirement that may be prescribed by the Commission's Rules.

WHEREFORE, PREMISES CONSIDERED, Mississippi Power Company prays that this petition be received and filed; that notice thereof be given by the Commission in the manner and form prescribed by law, returnable to a date certain; that this Commission consider the same as soon after that date as reasonably possible; and that after having fully considered all the relevant evidence, this Commission enter an order granting Mississippi Power Company a certificate that the public convenience and necessity requires or will require the Company to complete the CCR Projects as stated above.

Respectfully submitted on this, the 9th day of July, 2019.

MISSISSIPPI POWER COMPANY

BY: BALCH & BINGHAM LLP

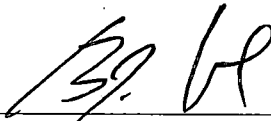
BY: 
RICKY J. COX

BEN H. STONE
Mississippi Bar No. 7934
RICKY J. COX
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Mississippi Bar No. 101985
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STATE OF MISSISSIPPI

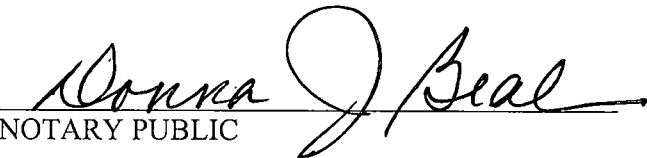
COUNTY OF HARRISON

PERSONALLY appeared before me, the undersigned authority in and for the said County and State, within my jurisdiction, the within named RICKY J. COX, who after being duly sworn on oath acknowledged that he is Attorney for MISSISSIPPI POWER COMPANY and that for and on behalf of the said MISSISSIPPI POWER COMPANY and as its act and deed, he signed and delivered the above and foregoing instrument of writing for the purposes mentioned on the day and year therein mentioned, after first having been duly authorized by said MISSISSIPPI POWER COMPANY so to do, and that the statements contained in the foregoing instrument are true and correct to the best of his knowledge, information and belief.



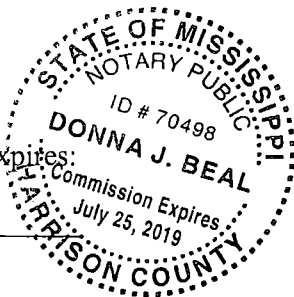
RICKY J. COX

SWORN TO AND SUBSCRIBED BEFORE ME, this the 9th day of July, 2019.



NOTARY PUBLIC

My Commission Expires:



CERTIFICATE OF SERVICE

I, RICKY J. COX, counsel for Mississippi Power Company in the Petition filed with the Mississippi Public Service Commission (the "Commission") of even date herewith do hereby certify that in compliance with Rule 6 of the Commission's Public Utilities Rules of Practice and Procedure (the "Rules"):

(1) An original and twelve (12) copies of the filing have been filed with the Commission by U.S. Mail to:

Katherine Collier, Esq.
Executive Secretary
Mississippi Public Service Commission
501 North West Street, Suite 201A
Jackson, MS 39201

(2) An electronic copy of the filing has been filed with the Commission via e-mail to the following address:

efile.psc@psc.state.ms.us

(3) A copy of the filing was served via U.S. Mail, postage prepaid, upon each of the following parties of record:

Mr. Virden Jones
Mississippi Public Utilities Staff
501 North West Street, Suite 301B
Jackson, MS 39201

(4) A copy of the Notice of Filing has been served upon each "interested person" listed in Exhibit "A" to this Petition via U.S. Mail, postage prepaid.